May 28, 2003

The Honorable Darrell Steinberg, Chair Assembly Appropriations Committee State Capitol, Room 2114 Sacramento, CA 95814

Dear Assembly Member Steinberg:

Government Code Section 14669 (c) requires the Department of General Services (DGS) to submit annually by March 1st a report of the office leases entered into during the preceding calendar year that contain a purchase option. The report is to be submitted to the Chairperson of the Joint Legislative Budget Committee and the chairperson of the committee of each house of the Legislature that considers appropriations.

This is to advise you that the DGS did not enter into any office space leases during calendar year 2002 that contain a purchase option.

If you have any questions, please contact Doug Button, Assistant Chief, Real Estate Services Section, Professional Services Branch, Real Estate Services Division, Department of General Services, at (916) 375-4002.

Very truly yours,

J. Clark Kelso, Interim Director Department of General Services

JCK:sc

cc: See Attached Distribution List #4

Deborah Hysen, Acting Chief Deputy Director, Department of General Services Kenn Kojima, Deputy Director, Real Estate Services Division,

Department of General Services

John Brooks, Acting Assistant Deputy Director, Real Estate Services Division, Department of General Services

Jack Barr, Jr., Chief, Professional Services Branch, Real Estate Services Division, Department of General Services

Phillip J. Salamy, Chief, Real Estate Services Section, Professional Services Branch, Real Estate Services Division, Department of General Services